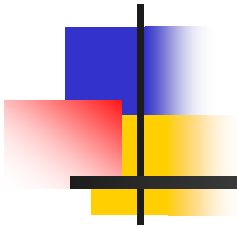


# Gillespie Terminal Building Bond Funding & Projects Future Revenue

---





# Gillespie Terminal Building

---

- ALP – 70 acres

- Presently terminal building shown at northeast corner of property.
- Unnecessary for administrative / business offices to occupy direct flight line property.
- Not essential for County Airports administrative / business staff to remain at Gillespie.

- Terminal access / inter-modal connectivity

- Priority with FAA / DOT in Strategic Planning Guidelines.

- Status

- Property across Marshall, diagonal from west transient ramp, should remain unencumbered for concept study.



# Bond Issue

---

## Bond funds:

- Provided \$10.4 million repayment to AEF
  - Repayment will be reflected in AEF FY 05/06 year-end actuals
- Must be spent within three years (by 12/2008)
- Includes -
  - \$ 4,482,659 in Non-Alternative Minimum Tax (AMT) Funds
    - Lower interest rates
    - Public improvements
    - Less flexible
  - \$ 5,917,341 in AMT Funds
    - Higher interest rate than Non-AMT bonds
    - More flexible

# Potential Bond Funded Projects Presented to GFDC 1/2006

PROJECT NAME & LOCATION	ESTIMATED EXPENSE	PROJECT DESCRIPTION	
<b>PALOMAR AIRPORT</b>			
1. Terminal Building / Federal Inspection Facility - Phase I (20,000 sf)	\$ 6,000,000	Design and build a public use commercial terminal building and federal inspection facility which will support customs Immigration, agriculture, airport management & staff, & commercial airlines.	
2. Palomar Airport Parking Lots / People Mover / Circulator Road	\$ 3,200,000	Build 2 auto parking lots (approx. 6.5 acres). Purchase & install install automated parking gate / ticket dispensers. Construct internal circulator roads connecting lower parking lots to upper level terminal and restaurant areas. Purchase & install conveyer escalator / lift (people mover) to transport travelers from lower parking lots to upper level terminal and restaurant area.	
<b>GILLESPIE AIRPORT</b>			
1. Terminal Building / Inter-model Facility / Airport Administrative Office (10,000 sf) & foot bridge & parking lot	\$ 3,300,000	Design and build public terminal / inter-model facility (provides access to trolley / buses / taxis) to include County Airports administrative offices. Project includes prefabricated foot bridge installation over Marshall Avenue, connecting west side transient ramp to terminal / inter-model facility.	
2. El Cajon Air Center Infrastructure	\$ 2,000,000	Install infrastructure, including electrical, mechanical drainage, roads, taxiways, lights, etc. for an aviation development on the former El Cajon Raceway property. All improvements are on property owned by the County but under lease to private developers at the Cajon Air Center.	



# Potential Bond Funded Projects Presented to GFDC 1/2006 (cont.)

PROJECT NAME & LOCATION	ESTIMATED EXPENSE	PROJECT DESCRIPTION	
<b>POTENTIAL BACK UP PROJECTS</b>			
<b>FALLBROOK AIRPARK</b>			
Modular terminal building & transient	\$ 1,300,000	Install modular terminal building and transient aircraft parking ramp	
		transient aircraft parking ramp	
<b>RAMONA AIRPORT</b>			
Repayment of loans from the State of Calif. Loans used to pay for installatio	\$ 2,650,000	1. Install 8" gravity sewer, pump station and 4" force main from Ramona Airport to Ramona Municipal Water District sewer system.	
sewer and air traffic control tower.	Loan Payoff		
		2. Design and build air traffic control tower	



# Bond Funded Project Criteria

---

Criteria included projects that:

- Address safety & security issues identified by TSA, FAA & State.
- Are not fully eligible for FAA funding.
- Leverage federal/state grants for qualifying portions of the project and additional funding for related projects.
- Facilitate aviation development projects with significant public benefit.
- Encourage private participation with lease areas and tenant build-outs.
- Provide new revenue streams to support County Airport system.
- Can be completed within three years.



# Anticipated Bond Funded Projects

---

- Palomar terminal building - \$5.1M
  - Additional 18% expense FAA eligible (total project approx. \$6.2M)
  - Resolves long standing FAA safety / security / operations issues
  - Enables implementation of PFC charges (est. \$182,000 annually)
  - Provides new lease revenue, e.g. airline gates, restaurant (est. \$175,000 annually)
  - Attracted \$10.2 million in FAA funding for other projects  
(e.g. TW Charlie reconstruction, new apron, new blast fence, improved drainage, new ARFF truck, improved electrical infrastructure)
- Palomar parking lots / people mover - \$3.2M
  - Ineligible for FAA funding if revenue producing
  - Provides estimated revenue of \$450,000 annually
- Gillespie 70 acre infrastructure - \$2.1M
  - Provides estimated revenue of \$528,000 annually.

# AEF Future Revenue Initiatives

	ACTUALS YEAR-END FY 2004-05	ADJUSTED AEF BUDGET FY 2005-06	ANTICIPATED FUTURE AEF BUDGETS	Comments/Assumptions
<b>Palomar Airport</b>				
Rents & Leases	1,447,179	1,759,879	1,763,099	
Chang Property	730,000			One-time Revenue
Western Flight	921,287			One-time Revenue
PAC Hangar Sales		500,000		One-time Revenue
Northside Ramp			230,000	Based on 125 tie-downs (95% occup) @ \$160 month
Industrial Business Park			1,000,000	Based on Ladwig proposal
Entitlement Funds	1,000,000	1,000,000	1,000,000	FAA Entitlement Funds
Ongoing Annual Equity Payments			266,000	Payments from 4 FBO's re: lease extensions
Royalties	251,955	197,262	547,262	Tie Downs (excluding north side ramp & Fuel Flow Fees) (add'l \$350k future fuel sales)
Parking Lots (Lot 29,30,31)			450,000	Based on 750 spots (55% occupancy) @ \$3 per day
Passenger Facility Charge			182,000	Based on 52,000 passengers @ \$3.50 each
Terminal Lease Revenue			175,000	e.g. gate fees, car rentals, % of food sales
<b>PALOMAR TOTAL</b>	<b>4,350,421</b>	<b>3,457,141</b>	<b>5,613,361</b>	
(Anticipate \$320,000 one time revenue FY 06/07 at Palomar)				
<b>Gillespie Field Airport</b>				
Rents & Leases	4,132,605	4,531,576	4,771,529	
Royalties	37,127	41,324	41,324	Tie Downs & Fuel Flowage Fees
Entitlement Funds	150,000	150,000	150,000	FAA Entitlement Funds
Cajon Air Center (70 Acres)			528,000	Based on 55 acres @ \$800 per month
<b>GILLESPIE FIELD TOTAL</b>	<b>4,319,732</b>	<b>4,722,900</b>	<b>5,490,853</b>	
Estimated new revenue to be generated by bond funded projects - \$1,335,000 annually				